

it, but because it will resolve the concerns of some local leaders who are under the mistaken impression that they cannot now fly the flag of the United States at half staff to honor the passing of a local official.

In fact, as the Supreme Court has ruled on several occasions, Congress does not have the power to prohibit any expression using the flag. The Court has gone so far as to strike down laws prohibiting the burning of the flag as a sign of disrespect. Certainly, if that is the case, then a local government may honor a local official who has served his or her community by flying the flag at half staff.

Nonetheless, title 4 of the United States Code does provide rules for flag etiquette. While these rules have no force of law, they do provide a guide for those seeking to display the flag in according to accepted rules of conduct. In fact, I commend those rules to my colleagues. I think that some of you may be surprised to learn that using the flag on advertising and in other manners common to political campaigns are also technically prohibited by federal law. Although local officials are not now prohibited from using the flag to honor a deceased local official it will certainly do no harm to make that clear, and there is no reason why my colleagues should not support it.

I hope that, since we have obviously found time to pass a law permitting that which is already permitted, perhaps we can next tackle some of the even more pressing issues affecting our constituents and their communities: providing health insurance for working families, extending unemployment insurance for the victims of this current recession, and creating new jobs at living wages so that working families can have the dignity of work without seeing their children grow up in poverty as is too often the case these days.

I am pleased to join in voting for this measure.

Ms. JACKSON-LEE of Texas. Mr. Speaker, Chairman SENSENBRENNER and Ranking Member CONYERS.

I rise in support of H.R. 1022, which simply authorizes the chief elected official of a locality, in the event of the death of a present or former official of that locality, to proclaim that the national flag shall be flown at half staff. This bill amends Title 4, United States Code, ensuring that the important rules of etiquette for flying the flag of the United States do not preclude the flying of flags at half mast when ordered by city and local officials.

This Section currently gives such explicit authority only to the President or, for certain purposes, the Governor of the state. This language is unnecessary and technically confusing because the subsection also reads in part that the flag may be flown at half staff "in accordance with recognized customs or practices not inconsistent with law."

The U.S. Supreme Court has, on two occasions, held that display of the flag, or the burning of the flag, are forms of expression protected by the First Amendment to the Constitution. As such, laws that mandate appropriate flag etiquette are unenforceable.

This bill simply clarifies that there should be no such interference in such instances.

I urge my colleagues to support it.

Mr. CAMP. Mr. Speaker, I rise today in strong support of H.R. 1022, the Community Recognition Act of 2001.

As chairman of the Speaker's advisory group on corrections, it was my pleasure to

work with Congressman DOOLITTLE, the members of the corrections day advisory group and the Judiciary Committee to expedite consideration of this legislation.

On June 28th, Mr. DOOLITTLE brought H.R. 1022 before the Speaker's advisory group, where it received unanimous support. In order for a bill to be placed on the Corrections Calendar it must be recommended by the advisory group and favorably reported from the committee of jurisdiction.

I am proud that we are able to highlight the Community Recognition Act today by using the Corrections Calendar. This is truly a technical correction and is fitting for consideration on the Corrections Calendar.

H.R. 1022 amends the U.S. Code, regarding rules of etiquette for flying the flag. Current law only grants the authority to order that the flag be flown at half mast to the President and State Governors. In the event of the death of a current or former local official, many communities want the flag to be lowered as a way to pay tribute to those who so honorably served. However, it can often prove difficult to obtain proper authority in the timely manner needed.

This oversight in the U.S. Code has prevented communities across America from the right to honor their fellow citizens without having to receive the express and time consuming permission of either the President or their Governor. I urge my colleagues to join with me today to correct this burdensome requirement.

The Corrections Calendar was created to fix small technical corrections, such as this. I would like to thank Chairman SENSENBRENNER for moving this bill through the committee and Congressman DOOLITTLE for introducing the legislation and for utilizing the Corrections Calendar.

Mr. Speaker, this is a straightforward, bipartisan bill that "corrects" an inefficient and burdensome law. I urge my colleagues to support the bill.

Mr. DOOLITTLE. Mr. Speaker, I rise today because the last duty performed to honor a local hero should not be thwarted by a technical flaw in the law. Let me explain. The Federal Flag Code provides guidelines for the display of the U.S. flag, but grants only the president and governors the authority to fly the flag at half-mast. While this code does not expressly outlaw local government officials from lowering the flag to half-staff, it does not expressly permit it. This technicality has upset local officials across the country who believe that communities should have the right to honor their fellow citizens without permission from their respective governors or the President of the United States.

This quirk in the Federal Flag Code came to my attention when my friend and constituent, former Mayor George Magnuson of Rocklin, California sought to honor his friend and fellow volunteer firefighter, Cliff Graves, who died in the line of duty. Shortly after speaking to Mayor Magnuson I realized that this needless hurdle had to be corrected. That prompted me to introduce H.R. 1022, The "Community Recognition Act." This simple, yet important, legislation authorizes the chief elected official of a locality, in the event of a death of a present or former official of that locality, to proclaim that the national flag be flown at half staff.

Mr. Speaker, at the time I introduced H.R. 1022, the tragedy of September 11th was unfathomable. But, in light of the thousands of

men and women who perished in those barbaric attacks now more than ever this simple correction needs to be made so they can be mourned in an appropriate fashion without undue delay.

I thank the Chairman of the House Judiciary Committee, Mr. SENSENBRENNER, for shepherding H.R. 1022 through his committee in an expeditious manner, and I urge my colleagues to support this legislation.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I ask my colleagues to support H.R. 1022, and I yield back the balance of my time.

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Mr. SENSENBRENNER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. TERRY). Pursuant to the rule, the previous question is ordered on the amendment recommended by the Committee on the Judiciary and on the bill.

The question is on the committee amendment.

The committee amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on passage of the bill.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, three-fifths of those present have voted in the affirmative.

Ms. JACKSON-LEE of Texas. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

SMALL BUSINESS INVESTMENT COMPANY AMENDMENTS ACT OF 2001

Mr. MANZULLO. Mr. Speaker, I move to suspend the rules and concur in the Senate amendment to the House amendment to S. 1196, to amend the Small Business Investment Act of 1958, and for other purposes.

The Clerk read as follows:

Senate Amendment to House Amendment: Page 13 of the House engrossed amendment, strike out all after line 8 over to and including line 2 on page 16 and insert:

SEC. 6. REDUCTION OF FEES.

(a) TWO-YEAR REDUCTION OF SECTION 7(a) FEES.—

(1) GUARANTEE FEES.—Section 7(a)(18) of the Small Business Act (15 U.S.C. 636(a)(18)) is amended by adding at the end the following:

“(C) TWO-YEAR REDUCTION IN FEES.—With respect to loans approved during the 2-year period beginning on October 1, 2002, the guarantee fee under subparagraph (A) shall be as follows:

“(i) A guarantee fee equal to 1 percent of the deferred participation share of a total loan amount that is not more than \$150,000.

"(ii) A guarantee fee equal to 2.5 percent of the deferred participation share of a total loan amount that is more than \$150,000, but not more than \$700,000.

"(iii) A guarantee fee equal to 3.5 percent of the deferred participation share of a total loan amount that is more than \$700,000."

(2) ANNUAL FEES.—Section 7(a)(23)(A) of the Small Business Act (15 U.S.C. 636(a)(23)(A)) is amended by adding at the end the following: "With respect to loans approved during the 2-year period beginning on October 1, 2002, the annual fee assessed and collected under the preceding sentence shall be in an amount equal to 0.25 percent of the outstanding balance of the deferred participation share of the loan."

(b) REDUCTION OF SECTION 504 FEES.—Section 503 of the Small Business Investment Act of 1958 (15 U.S.C. 697) is amended—

(1) in subsection (b)(7)(A)—

(A) by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively, and moving the margins 2 ems to the right;

(B) by striking "not exceed the lesser" and inserting "not exceed—

"(i) the lesser"; and

(C) by adding at the end the following:

"(ii) 50 percent of the amount established under clause (i) in the case of a loan made during the 2-year period beginning on October 1, 2002, for the life of the loan; and"; and

(2) by adding at the end the following:

"(i) TWO-YEAR WAIVER OF FEES.—The Administration may not assess or collect any up front guarantee fee with respect to loans made under this title during the 2-year period beginning on October 1, 2002."

(c) BUDGETARY TREATMENT OF LOANS AND FINANCINGS.—Assistance made available under any loan made or approved by the Small Business Administration under section 7(a) of the Small Business Act (15 U.S.C. 636(a)) or financings made under title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.), during the 2-year period beginning on October 1, 2002, shall be treated as separate programs of the Small Business Administration for purposes of the Federal Credit Reform Act of 1990 only.

(d) USE OF FUNDS.—The amendments made by this section to section 503 of the Small Business Investment Act of 1958, shall be effective only to the extent that funds are made available under appropriations Acts, which funds shall be utilized by the Administrator to offset the cost (as such term is defined in section 502 of the Federal Credit Reform Act of 1990) of such amendments.

(e) EFFECTIVE DATE.—The amendments made by this section shall become effective on October 1, 2002.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois (Mr. MANZULLO) and the gentlewoman from New York (Ms. VELÁZQUEZ) each will control 20 minutes.

The Chair recognizes the gentleman from Illinois (Mr. MANZULLO).

GENERAL LEAVE

Mr. MANZULLO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous matters on this legislation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MANZULLO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the purpose of this bill is to keep venture capital flowing to small businesses during this critical time to our Nation's economic recovery. The main purpose of S. 1196 is to adjust the fees charged to participate

in security SBICs from 1 percent to 1.38 percent. This change is necessary because there is no funding for the participating securities SBICs program.

The other provision of S. 1196 modestly lowers the fees in the other main access to capital programs of the SBA, the 7(a) General Business Loan Program and the 504 Certified Development Company CDC program.

Last month the SBA administrator sent me a letter in support of this and revitalized the 7(a) and 504 programs. Mr. Speaker, the text of that letter is as follows:

U.S. SMALL BUSINESS ADMINISTRATION,
Washington, DC, November 27, 2001.

The Hon. DONALD MANZULLO,
Chairman, Committee on Small Business, House
of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The purpose of this letter is to express the U.S. Small Business Administration's (SBA) views on S. 1196, the Small Business Investment Company (SBIC) Amendments Act of 2001.

SBA applauds the Congress on passing the President's proposed legislation that enables the SBIC Participating Securities Program to flourish and expand without additional discretionary appropriations. SBA also applauds the Congress for including the technical amendments that were included in the President's proposal to further enhance the program.

SBA agrees with the concept that we must revitalize the 7(a) and 504 programs. Over the past several years the number of loans to women, Hispanic, African American, and veteran small business owners has either decreased or remained relatively flat. Furthermore, these groups receive a low percentage of the loans, with women receiving 21 percent, Hispanics 8 percent, African Americans 4 percent, and veterans 11 percent. More than 60 percent of the loans made to women, Hispanics and African Americans, the fastest growing small business population, are less than \$150,000. In addition, most businesses are started with less than \$150,000. Yet the legislation fails to specifically target fee reduction in 7(a) loans of \$150,000 or less.

SBA feels very strongly that because of limited resources, and the statistics set forth above, that fee reductions should be targeted to those small businesses seeking loans under \$150,000.

The Office of Management and Budget advises that there is no objection from the standpoint of the President's program to the submission of these views for the consideration of Congress.

SBA welcomes the opportunity to work with Congress to revitalize the 7(a) and 504 programs for the benefit of small businesses.

Sincerely,

HECTOR V. BARRETO,
Administrator.

Mr. Barreto suggested that any fee reduction should be weighted to smaller loan borrowers and I agree. That is why I concur with the Senate's action that makes a few changes to House Amendment 7(a) Program.

I rise in support of S. 1196 and concur with the Senate to House amendment and I urge my colleagues to support these needed changes to these SBA programs.

Mr. Speaker, I reserve the balance of my time.

Ms. VELÁZQUEZ. Mr. Speaker, I yield myself such time as I may consume.

(Ms. VELÁZQUEZ asked and was given permission to revise and extend her remarks.)

Ms. VELÁZQUEZ. Mr. Speaker, I rise in strong support of S. 1196, the Small Business Technical Correction Act of 2001. This legislation will make much needed improvement here to the Small Business Investment Company Program, the Small Business Administration's General Loan Program, and the Certified Development Company Program to ensure that they are able to meet the new challenges facing this Nation's small businesses.

Mr. Speaker, recent reports reflect that the economy is heading into a recession and small businesses now more than ever need access to capital at an affordable rate. Surveys of senior loan officers have reported tightening of credit. No one sector of the economy is hurt more by this restriction than small business. Today, through changes to the SBIC program, we will expand the programs size and volume to include an entirely new array of opportunities for small business to receive equity investment.

The SBIC program has invested nearly \$15 billion in more than 90,000 small businesses. And more importantly, \$600 million in businesses in low and moderate income areas throughout the Nation. Thanks to the SBIC program, such successes like Intel, FedEx, America Online and Staples launched themselves into the universe of Fortune 500 companies.

While this does raise the fees on the SBIC program, it also puts the program on a footing where no Federal subsidies are going to be required. This has created some concern that these changes will put equity investment out of reach for many small business. To offset this we have included a reduction in the fee of the SBA general loan program. This will bring some equity into a program that has according to Congressional Budget Office estimates overcharged both lenders and small businesses by at least a billion dollars.

Today with the passage of S. 1196 we will make the SBA 7(a) loan program more accessible and affordable to small businesses by drastically reducing the cost of the program. These changes will immediately free up millions of dollars for more lending spurring much needed economic revitalization. I strongly encourage my colleagues to support this legislation.

Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. DAVIS).

Mr. DAVIS of Illinois. Mr. Speaker, I thank the gentlewoman for yielding me time.

Mr. Speaker, I rise in support of S. 1196, the Small Business Investment Company Amendments Act. This legislation achieves a number of objectives for small businesses in their goal of obtaining ready sources of growth capital. This program is a true investment partner for entrepreneurs providing critical equity capital to new and existing companies.

Indeed, SBICs have invested nearly \$15 billion in long term debt and equity capital to more than 90,000 small businesses. At the same time, they have provided growth and startup capital totalling more than \$600 million to businesses in low and moderate income areas throughout the Nation.

After 10 years of solid economic growth, America has entered an economic downturn. For the first time in a decade, the economic indicators benchmark showing where we are and where we are going have gone down. Job losses in technology and manufacturing have risen dramatically and corporate bankruptcies were nearly double what they were last year. Consumer confidence hit its lowest point in over a decade. Even though the U.S. stock market saw a significant gain in the last 10 years, however, the bottom has virtually fallen out as a result of the events of September 11.

Now every industry has taken a huge hit as profits and employment figures head into a free fall. Part of the solution for this problem is for Congress and the President to implement a sound and fair fiscal policy that will provide an economic stimulus for the general public and small businesses. Since small businesses account for 99 percent of America's employers, it can play a vital role in bringing America out of this economic downturn.

To help American small businesses survive this economic downturn, the small business administration must engage all available resources in facilitating entrepreneurship development, provide low and no interest loans and more technical assistance programs to small businesses. S. 1196 is one approach that can assist the small business administration, and I urge all of my colleagues to support S. 1196.

Ms. VELÁZQUEZ. Mr. Speaker, I yield myself such time as I may consume. Mr. Speaker, this has been a long process and I want to thank my staff, particularly Mr. Michael Day, and Mr. Manzullo's staff for their tremendous effort in getting this bill done.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MANZULLO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. MANZULLO) that the House suspend the rules and concur in the Senate amendment to the House amendment to S.1196.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendment to the House amendment was concurred in.

A motion to reconsider was laid on the table.

PUBLIC HEALTH SECURITY AND BIOTERRORISM RESPONSE ACT OF 2001

Mr. TAUZIN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3448) to improve the ability of the United States to prevent, prepare for, and respond to bioterrorism and other public health emergencies.

The Clerk read as follows:

H.R. 3448

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION. 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Public Health Security and Bioterrorism Response Act of 2001".

(b) TABLE OF CONTENTS.—The table of contents of the Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—NATIONAL PREPAREDNESS FOR BIOTERRORISM AND OTHER PUBLIC HEALTH EMERGENCIES

Subtitle A—National Preparedness and Response Planning, Coordinating, and Reporting

Sec. 101. National preparedness and response.

Sec. 102. Assistant Secretary for Emergency Preparedness; National Disaster Medical System.

Sec. 103. Improving ability of Centers for Disease Control and Prevention with respect to bioterrorism and other public health emergencies; facilities.

Sec. 104. Advisory committees and communications.

Sec. 105. Education of health care personnel; training regarding pediatric issues.

Sec. 106. Grants regarding shortages of certain health professionals.

Sec. 107. Emergency system for verification of credentials of health professions volunteers.

Sec. 108. Enhancing preparedness activities for bioterrorism and other public health emergencies.

Sec. 109. Improving State and local core public health capacities.

Sec. 110. Antimicrobial resistance program.

Sec. 111. Study regarding communications abilities of public health agencies.

Sec. 112. Supplies and services in lieu of award funds.

Sec. 113. Additional amendments.

Sec. 114. Study regarding local emergency response methods.

Subtitle B—National Stockpile; Development of Priority Countermeasures

Sec. 121. National stockpile.

Sec. 122. Accelerated approval of priority countermeasures.

Sec. 123. Use of animal trials in approval of certain drugs and biologics; issuance of rule.

Sec. 124. Security for countermeasure development and production.

Sec. 125. Accelerated countermeasure research and development.

Sec. 126. Evaluation of new and emerging technologies regarding bioterrorist attack and other public health emergencies.

Sec. 127. Potassium iodide.

Subtitle C—Emergency Authorities; Additional Provisions

Sec. 131. Expanded authority of Secretary of Health and Human Services to respond to public health emergencies.

Sec. 132. Streamlining and clarifying communicable disease quarantine provisions.

Sec. 133. Emergency waiver of Medicare, Medicaid, and SCHIP requirements.

Sec. 134. Provision for expiration of public health emergencies.

Sec. 135. Designated State public emergency announcement plan.

Sec. 136. Expanded research by Secretary of Energy.

Sec. 137. Agency for Toxic Substances and Disease Registry.

Sec. 138. Expanded research on worker health and safety.

Sec. 139. Technology opportunities program support.

Subtitle D—Authorization of Appropriations

Sec. 151. Authorization of Appropriations.

TITLE II—ENHANCING CONTROLS ON DANGEROUS BIOLOGICAL AGENTS AND TOXINS

Sec. 201. Regulation of certain biological agents and toxins.

TITLE III—AMENDMENTS TO FEDERAL FOOD, DRUG, AND COSMETIC ACT

Subtitle A—Protection of Food Supply

Sec. 301. Protection against intentional adulteration of food.

Sec. 302. Administrative detention.

Sec. 303. Permissive debarment regarding food importation.

Sec. 304. Maintenance and inspection of records for foods.

Sec. 305. Registration.

Sec. 306. Prior notice of imported food shipments.

Sec. 307. Authority to mark articles refused admission into United States.

Sec. 308. Prohibition against port shopping for importation.

Sec. 309. Notices to States regarding imported food.

Sec. 310. Grants to States for inspections; response to notice regarding adulterated imported food.

Subtitle B—Protection of Drug Supply

Sec. 311. Annual registration of foreign manufacturers; shipping information; drug and device listing.

Sec. 312. Requirement of additional information regarding import components intended for use in export products.

TITLE IV—DRINKING WATER SECURITY AND SAFETY

Sec. 401. Amendment of the Safe Drinking Water Act.

TITLE I—NATIONAL PREPAREDNESS FOR BIOTERRORISM AND OTHER PUBLIC HEALTH EMERGENCIES

Subtitle A—National Preparedness and Response Planning, Coordinating, and Reporting

SEC. 101. NATIONAL PREPAREDNESS AND RESPONSE.

The Public Health Service Act (42 U.S.C. 201 et seq.) is amended by adding at the end the following title:

"TITLE XXVIII—NATIONAL PREPAREDNESS FOR BIOTERRORISM AND OTHER PUBLIC HEALTH EMERGENCIES

"Subtitle A—National Preparedness and Response Planning, Coordinating, and Reporting

"SEC. 2801. NATIONAL PREPAREDNESS PLAN.

"(a) IN GENERAL.—

"(1) PREPAREDNESS AND RESPONSE REGARDING PUBLIC HEALTH EMERGENCIES.—The Secretary shall further develop and implement a coordinated strategy, building upon the core public health capabilities established pursuant to section 319A, for carrying out health-